

DRAFT
MINUTES OF THE CITY COUNCIL
OF THE
CITY OF GREENSBORO, N. C.

REGULAR MEETING:

16 JUNE 1998

The City Council of the City of Greensboro met in regular session at 6:00 p.m. on the above date in the Council Chamber of the Melvin Municipal Office Building with the following members present: Mayor Carolyn S. Allen, presiding; Councilmembers Claudette Burroughs-White, Sandra G. Carmany, Keith A. Holliday, Yvonne J. Johnson, Earl F. Jones, Nancy Mincello, Robert V. Perkins and Donald R. Vaughan. Absent: None. Also present were J. Edward Kitchen, City Manager; Terry Wood, Deputy City Attorney; and Juanita F. Cooper, City Clerk.

Exercising the prerogative of the Chair, Mayor Allen introduced and read into the minutes a Resolution recognizing June 14 as "National Flag Day." Councilmember Burroughs-White moved adoption of the resolution. The motion was seconded by Councilmember Johnson; the resolution was adopted on the following roll call vote: Ayes: Allen, Burroughs-White, Carmany, Holliday, Johnson, Jones, Mincello, Perkins and Vaughan. Noes: None.

126-98 RESOLUTION RECOGNIZING JUNE 14 AS "NATIONAL FLAG DAY"

WHEREAS, by Act of Congress of the United States dated June 14, 1777, the first official Flag of the United States was adopted;

WHEREAS, by Act of Congress dated August 2, 1949, June 14 of each year was designated "NATIONAL FLAG DAY";

WHEREAS, the Congress has requested the President to issue annually a proclamation designating the week in which June 14 occurs as "NATIONAL FLAG WEEK";

WHEREAS, on December 8, 1992, the National Flag Day Foundation was chartered to conduct educational programs and to encourage all Americans to Pause for the Pledge of Allegiance as part of the celebration of National Flag Day throughout the nation;

WHEREAS, by Act of Congress, dated June 20, 1985, Public Law 99-54 was passed to have the Pause for the Pledge of Allegiance as part of the celebration of National Flag Day throughout the nation;

WHEREAS, Flag Day celebrates our nation's symbol of unity, a democracy in a republic, and stands for our country's devotion to freedom to the rule of all, and to equal rights for all.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That the City Council on behalf of the citizens of Greensboro hereby recognize June 14, 1998 as Flag Day of North Carolina and urge all citizens of North Carolina to pause at 6:00 PM for the 18th Annual National Pause for the Pledge of Allegiance to the Flag and join all Americans in reciting the Pledge of Allegiance to the Flag of the United States of America.

(Signed) Claudette Burroughs-White

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The meeting was thereupon opened with the Pledge of Allegiance to the Flag.

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The Manager recognized Willie E. Jones, employee in the Fire Department, who served as courier for the meeting.

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Mayor Allen recognized and welcomed members of Boy Scout Troop # 103 from Summerfield, NC, who were present in the Chamber to observe the meeting.

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Mayor Allen introduced and read into the minutes a Resolution celebrating the 37th Anniversary of the Eastern Music Festival. Councilmember Johnson moved adoption of the resolution. The motion was seconded by Councilmember Carmany; the resolution was adopted on the following roll call vote: the resolution was adopted on the following roll call vote: Ayes: Allen, Burroughs-White, Carmany, Holliday, Johnson, Jones, Mincello, Perkins and Vaughan. Noes: None.

127-98 RESOLUTION CELEBRATING THE 37TH ANNIVERSARY OF THE EASTERN MUSIC FESTIVAL

WHEREAS, 1998 marks the celebration of its 37th year of continuous operations beginning Saturday, June 20 and running through Saturday, August 1, 1998 of the Eastern Music Festival;

WHEREAS, the Eastern Music Festival, founded by Maestro Sheldon Morgenstern who served as its Music Director until January of 1998, has afforded the opportunity of musical training to more than 5,000 aspiring, young musicians by some of the most prominent professional musicians in the country;

WHEREAS, 200 talented 14 to 20 year old classical instrumentalists representing 36 states and 9 foreign countries will assemble on the Guilford College Campus for this exceptional event;

WHEREAS, during the six-week engagement, 45,000 citizens of the Triad are expected to enjoy the presentation of approximately 100 performances, 45 of which will be on the regular series and fifty-five to be presented without charge through Project LISTEN! as well as the outdoor pops concerts sponsored by the City of Greensboro through its City Arts Music Center.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That all citizens of the triad are urged to celebrate and enjoy the 37th year of the Eastern Music Festival presentations and commemorate the outstanding achievements of this extraordinary organization and the benefits it yields to the young aspiring musicians of our community as well as students from around the globe.

(Signed) Yvonne J. Johnson

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Mayor Allen explained the Council procedure for conduct of the meeting.

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The Mayor stated that this was the time and place set for a public hearing to consider an ordinance rezoning from RS-12 Residential Single Family to Conditional Use-RM-8 Residential Multifamily for property located on the north side of Joseph M. Bryan Boulevard west of Horse Pen Creek Road—this matter received a 3-0-1 vote of the Zoning Commission to recommend approval of the rezoning. She advised that this item was being continued from the 19 May 1998 meeting of Council, that the public hearing has been closed on this matter and a request has been received to continue this rezoning.

Councilmember Mincello moved that this rezoning be continued to the July 7 meeting of Council, that the public hearing be re-opened and the rezoning be re-advertised for that date. The motion was seconded by Councilmember Holliday and adopted unanimously by voice vote of the Council.

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Mayor Allen stated that this was the time and place set for a public hearing to consider an Ordinance rezoning from RM-18 Residential Multifamily to RS-7 Residential Single Family for property located west side of Martin Luther King Jr. Drive between Douglas Street and East McCulloch Street; she advised this matter had received a 1-5 vote of the Zoning Commission to recommend denial of the rezoning.

C. Thomas Martin, Planning Department Director, advised this was a third party rezoning request and reviewed highlights of the Zoning Commission meeting which had resulted in the Commission's recommendation that the request be denied. Mr. Martin advised the Planning Department, Housing and Community Development Department, and the Redevelopment Commission recommended approval of the rezoning; he also provided a slide presentation of the property requested for rezoning and the surrounding area.

The Mayor asked if anyone wished to be heard.

Alice Bynum, residing at 618 Martin Luther King Jr. Drive, spoke in favor of the rezoning and expressed concern with respect to the negative impact the property proposed for rezoning had on the community. She spoke to her considerable investment in her residence and the deed restrictions on her property, the transition of this area, and the desire that apartments not be allowed in the area. She also

spoke to plans to revitalize this neighborhood and emphasized the strong support of area residents to have this area return to a viable single-family residential area.

Celestine Simmons, residing at 1028 Pearson Street, spoke in favor of the rezoning and to her understanding that this property was originally zoned single family but had at some point in time had been changed to multi-family zoning.

Dan Curry, representing the Housing and Community Development Department, stated this department supported the neighborhood residents' request for the rezoning of the property. To clarify the history of zoning pattern for this property, Mr. Curry advised this area was zoned residential multi-family when redevelopment work was begun in the area; he further advised when the city-wide zoning was undertaken, single family zoning was not requested because the future use of this property had been unclear. Mr. Curry also provided information with regard to area properties owned by the Redevelopment Commission and to properties sold to private purchasers for renovation as single family residences.

Nettie Coad, residing at 706 Martin Luther King Jr. Drive, spoke in support of the request and provided a video to illustrate the unsightly condition of certain properties in the area. She cited continuing problems properties owned by absentee owners; expressed concern with abandoned cars, debris, etc., at certain rental properties; and reiterated the ongoing residents' efforts to revitalize the neighborhood and promote single family homes in the area.

Dorothy Brown, residing at 603 Julian Street, spoke in support of the rezoning request. She spoke to past rezoning requests for the area, cited problems with certain rental properties in the area, and requested Council to approve the request.

W. B. Wall, residing at 115 Knollwood Drive and owner of rental property in the area, spoke in opposition to the rezoning of his property. Mr. Wall advised of efforts to address problems with his current tenant at this site, spoke the current unsightly condition of this property, expressed concern that the rezoning would decrease the value of his property for resale, spoke to minor improvements required by the Inspections Department, and detailed his efforts to work with that Division to improve the condition of his property.

Councilmember Burroughs-White moved that the public hearing be closed. The motion was seconded by Councilmember Johnson and adopted unanimously by voice vote of the Council.

Mr. Martin provided the following staff recommendation:

The Planning Department recommends that this request be approved. This area includes two vacant lots owned by the Redevelopment Commission and three houses that the Commission has sold for rehabilitation (612, 618 and 620 MLK) with restrictions that they be single family owner-occupied. The area also includes two houses and one vacant lot that are privately owned. Approval of this rezoning will reflect the investment the City and private homeowners have made in rehabbing the houses along this segment of Martin Luther King Jr. Drive to single family dwellings. Although this request is inconsistent with the Asheboro Redevelopment Plan, the plan will be amended at a later date to reflect this change. The Redevelopment Commission has recommended that the proposed RS-7 classification be approved. In June 1991 the majority of properties in the MLK corridor between Julian/McCulloch Streets and East Florida

Street were rezoned to the equivalent of RS-7 to stabilize the Asheboro and Arlington Park neighborhoods as part of a comprehensive revitalization program. This proposal is a continuation of that plan to achieve a similar goal.

Council discussed with staff various opinions and concerns with respect to this request; i.e., the fact this was a third-party rezoning request, historical and current zoning patterns of properties in the area, the neighborhood's continuing problems with properties owned by absentee landlords, future plans for the area, including plans for specific property uses for houses/vacant lots the area, etc. Discussion was also held with respect to the City's policy regarding inspections of unsightly property/structures, the impact this rezoning would have on the current use of properties, the responsibility of property owners for rental property, etc.

Councilmember Burroughs-White moved adoption of the ordinance. The motion was seconded by Councilmember Johnson; the ordinance was adopted on the following roll call vote: Ayes: Allen, Burroughs-White, Carmany, Holliday, Johnson, Jones, Mincello, Perkins and Vaughan. Noes: None.

98-91 AMENDING OFFICIAL ZONING MAP

WEST SIDE OF MARTIN LUTHER KING JR. DRIVE BETWEEN DOUGLAS STREET AND EAST McCULLOCH STREET

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

Section 1. The Official Zoning Map is hereby amended by rezoning from RM-18 Residential Multifamily to RS-7 Residential Single Family uses for the area described as follows:

BEGINNING at a point in the western right-of-way line of Martin Luther King Jr. Drive, said point being the southeast corner of Lot 7, Block 6, Guilford County Tax Map 17; thence along the line of said Lot 7 in a westerly direction approximately 170 feet to a point, said point being the northeast corner of Lot 28, Block 6, Guilford County Tax Map 17; thence along the lines of Lots 28, 27, 26, 25, 24, and 23 in a southerly direction 378.94 feet to a point, said point being the northeast corner of Lot 22, Block 6, Tax Map 17; thence along the line of said Lot 22 in a southerly direction approximately 60 feet to a point, said point being the southeast corner of said Lot 22; thence along the southern line of said Lot 22 in a westerly direction approximately 50 feet to a point, said point being the northeast corner of Lot 21, Block 6, Tax Map 17; thence along the line of said Lot 21 in a southerly direction approximately 92 feet to a point, said point being the southeast corner of said Lot 21 and also being in the line of Lot 14, Block 6, Tax Map 17; thence along the line of said Lot 14 in an easterly direction approximately 80 feet to a point, said point being the northeast corner of said Lot 14; thence along the eastern line of said Lot 14 in a southwesterly direction approximately 100 feet to a point, said point being in the line of Lot 17, Block 6, Tax Map 17; thence along the northern lines of Lots 17, 16 and 15 209.83 feet to a point in the western right-of-way line of Martin Luther King Jr. Drive; thence crossing said street in a straight line projection of the northern line of said Lots 17, 16 and 15 60 feet to a point in the eastern right-of-way line; thence along said eastern right-of-way line in a northerly direction approximately 600 feet to a point in the intersection with the southern right-of-way line of Douglas Street; thence crossing Martin Luther King Jr. Drive in a straight line westerly projection 60 feet to a point in the western right-of-way line; thence along said western right-of-way line in a northerly direction approximately 40 feet to the point of BEGINNING.

(Signed) Claudette Burroughs-White

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Mayor Allen Stated that this was the time and place set for consideration of a resolution supporting the location in Guilford County of the Federal Express Regional Processing Facility and approving allocation of funds for the construction of sewer outfall line pursuant to N.C.G.S. 158-7.1 (Local Economic Development Act). Mayor Allen asked if anyone wished to speak to this matter.

Councilmember Jones moved adoption of the resolution. The motion was seconded by Councilmember Johnson.

Charles T. Hagan, III, residing at 305 Meadowbrook Terrace, spoke in support of the location of the Federal Express facility at the Piedmont Triad International Airport. He spoke to the economic development benefits this company would have on the Triad area; i.e., creation of new jobs, the attraction of new businesses, etc. Mr. Hagan stated that the Chamber of Commerce, the Airport Authority and FedEx were sensitive to the concerns of residents near the airport and were committed to attempting to minimize the impact on the neighborhood. Stating that he spoke on behalf of the Chamber of Commerce and the citizens who recognize the economic development benefits this company would bring to the area, he encouraged Council's support of the resolution.

John Grueling, residing at 4901 Lawndale Avenue, Vice-President for Economic Development for the Chamber of Commerce, spoke in favor of the resolution. Speaking to misinformation that had been received by the public, Mr. Grueling advised due process had been used for the site selection of this facility, reviewed the monetary investment by FedEx, detailed the state funds committed to the project and commented on the permitted tax exemptions provided. He further stated that prior to the opening of FedEx in 2003, many opportunities were anticipated for public input as the project moved forward. Speaking to other communities which had secured this type of business, Mr. Grueling advised that as a result of the FedEx hub being located in Greensboro, other businesses would locate in the surrounding area which would provide additional economic benefits for the area.

During discussion with Council, Mr. Grueling reiterated that the third runway at the Airport was included in the facility's 1968 master plan and that the FedEx project was awarded to PTA based on that element being a part of the proposal. Discussion was also held with regard to due process with respect to this project.

Hughlene Frank, residing at 105 Elmwood Terrace, spoke in support of the resolution and expressed her concern that some citizens left Greensboro in pursuit of good jobs in other areas. She stated that she believed the presence of FedEx at the airport would revitalize the underused airport, attract new businesses to the area, enhance job opportunities for local citizens, and enrich the quality of life for area residents.

Dorothy Brown, residing at 603 Julian Street, spoke in support of the resolution. She stated that FedEx would be an asset to the community, provide good jobs with good benefits, assist in securing transportation for people who work at the airport, and contribute to a better quality of life for area citizens.

Rheba Hamilton, residing at 1000 Meade Drive, spoke in favor of the resolution and the location of FedEx at the airport. She stated she believed the company would be good for the economy, offer good jobs

for area residents, contribute to good growth in the community and assist in attracting additional businesses to the area. She also stated that the FedEx requirements had been in the Airport's plans for 30 years and that the proposed operation would utilize the airport facilities at other than peak hours and contribute to the tax base.

Pam Nisbet, residing at 2018 Pembroke Road, spoke in favor of the resolution and the location of FedEx, a company which she considered to be a good corporate citizen, at the airport. She spoke to the positive impact this company would have on the area; i.e., increase in tax base, good growth, increased job opportunities, additional businesses being attracted to the area, positive economic impact of the hub on the community, etc.

Joe Glover, residing at 3826 Obriant Place and a member of the Piedmont Quality of Life Coalition, spoke in opposition to the resolution but stated he was not in opposition to FedEx. He stated that, in his opinion, community support of the FedEx development would be enhanced if his group's alternate plan which would change portions of the proposal were approved by the Airport Authority and FedEx. Mr. Glover further stated that FedEx had chosen Greensboro because of the available transportation system/road network, spoke to the negative impact this development would have on the quality of life for citizens who live near the airport, noted significant difference between passenger flights and late night cargo flights, and stated that he purchased a home in this neighborhood because Greensboro had provided water and sewer for that particular area.

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The Mayor declared a recess at 7:47 p. m.

The Council re-convened at 7:56 p.m. with all members present.

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Gil Happel, residing at 6406 Olympic Court, expressed concern that taxpayer dollars would be spent to build the proposed third runway that, in his opinion, was not needed by FedEx and would not be used for flights because it would increase taxiing and landing time; he likened this to corporate welfare. Mr. Happel stated he believed the Airport should have planned for future growth by purchasing surrounding property before development. He spoke to residents that would be impacted by the proposed FedEx development and detailed information regarding FedEx flights to and from the airport; i.e., flight patterns, location of various parts of the proposed facility, taxiing time, landing time, etc. Stating his neighborhood did not want a cargo hub at the Airport, he encouraged that Council, after reviewing the community's alternate proposal, communicate to the Airport Authority and FedEx their support of the document.

Pauline H. Austin, residing at 3239 Cheswick Drive, spoke in opposition to the construction of a third runway and to the proximity of her residence to its location, and requested Council not to support corporate welfare by adopting this resolution, but instead to support the school system. She requested the Council to table this resolution until all facts had been disclosed.

Ann McEnery, residing at 4206 Shoal Creek Drive, requested the Council not to support the third runway proposed for the airport and stated, in her opinion, the support of tax incentives to FedEx was corporate welfare. She stated she believed this action would support the destruction of the area

neighborhoods and the collapse of the infrastructure in Greensboro. Ms. McEnery offered information regarding the quality of jobs that would be offered by FedEx and the benefits that would be provided to its employees.

Tom Eldridge, residing at 6200 Bay Hill Court, asked that Council either not approve the resolution or table the item until the alternate proposal had been reviewed to send a signal to the Airport Authority and Federal Express.

Councilmember Vaughan moved that the public hearing be closed. The motion was seconded by Councilmember Johnson and adopted unanimously by voice vote of the Council.

Council discussed with some speakers various opinions and concerns; i.e., the fact that the third runway had been on the Airport's master plan since 1968, some details regarding the alternate plan offered by citizens residing near the Airport and its review by the Authority and FedEx, the fact that the City of Greensboro provided water and sewer to areas outside the city limits, including the Cardinal area, area upon request from the Guilford County Board of Commissioners on behalf of developers, etc., and that the proposed action to be considered by Council at this time was to support the location in Guilford County of the Federal Express Regional Processing Facility and the allocation of funds for the construction of sewer outfall line.

Further discussion ensued regarding the fact that the neighborhood's alternate proposal was being reviewed by FedEx and a response would be forthcoming, that the City would be requested to provide sewer to FedEx regardless of the area of the airport at which the facilities would be located. Some members of Council explained the intent of the proposed resolution, further emphasized the resolution had nothing to do with the school system which was the responsibility of the Guilford County Board of Commissioners and the School Board, and explained the Airport Authority's right to exercise the Closed Session meeting provision to discuss certain issues.

The resolution, having been moved and seconded earlier in the meeting, was thereupon adopted on the following roll call vote: Ayes: Allen, Burroughs-White, Carmany, Holliday, Johnson, Jones, Mincello, Perkins and Vaughan. Noes: None.

129-98 RESOLUTION SUPPORTING THE LOCATION IN GUILFORD COUNTY OF THE FEDERAL EXPRESS REGIONAL PROCESSING FACILITY AND APPROVING ALLOCATION OF FUNDS FOR THE CONSTRUCTION OF SEWER OUTFALL LINE PURSUANT TO N.C.G.S. 158-7.1 (LOCAL ECONOMIC DEVELOPMENT ACT)

WHEREAS, on 5 December 1994, the City Council approved and adopted economic development incentive guidelines and as amended on 25 June 1996, whereby the City will participate financially in the development of a certain private and/or infrastructure improvements to promote economic development in accordance with said guidelines;

WHEREAS, Federal Express plans to acquire approximately 175 acres of land and build a regional processing facility in Guilford County in the vicinity of the Piedmont Triad International Airport;

WHEREAS, it is anticipated that Federal Express will invest nearly \$300 million and employ up to 1,500 persons over a five-year period;

WHEREAS, a public hearing has been held in accordance with N.C.G.S. 158-7.1 setting up the particulars of a request for approval of up to \$218,000 for the construction of a sewer outfall line and citing the public benefits to be derived therefrom.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

1. That the City Council hereby supports the location of the Federal Express Regional Processing Facility in Guilford County.
2. That in accordance with the City's economic development incentive guidelines and pursuant to N.C.G.S. 158-7.1, the funding of the cost of a sewer outfall line up to the amount of \$218,000 to serve the proposed Federal Express facility is hereby authorized and approved with the construction of said line to be at an appropriate time to accommodate the new proposed facility.
3. That the water and sewer connection fee at the time of the connection shall be waived.

(Signed) Earl Jones

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Councilmember Mincello removed item 13 from the Consent Agenda.

Mayor Allen thereupon introduced the following ordinance as required in the Greensboro Code of Ordinances:

- Ordinance amending in the amount of \$167,283 the fiscal year 1997-98 Annual Budget with respect to JTPA Programs.

The Mayor thereupon requested a motion to adopt the ordinance, all resolutions and the motion listed on the Consent Agenda, as amended.

Councilmember Johnson moved adoption of the Consent Agenda, as amended. The motion was seconded by Councilmember Vaughan; the Consent Agenda was adopted on the following roll call vote: Ayes: Allen, Burroughs-White, Carmany, Holliday, Johnson, Jones, Mincello, Perkins and Vaughan. Noes: None.

98-92 ORDINANCE AMENDING THE FY 97-98 ANNUAL BUDGET

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That the FY 97-98 Annual Budget of the City of Greensboro is hereby amended as follows:

That the appropriation for Training & Employment Services be increased (decreased) as follows:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
215-0297-74.4110	Salaries & Wages	\$ 26,717
215-0297-50.5224	Outside printing & Publishing	660
215-0297-46.5931	Contrib. To Non-Govt. Agencies	3,000
215-0297-45.5931	Contrib. To Non-Govt. Agencies	34,032
214-0296-50-4110	Salaries & Wages	(1,376)
215-0240-30.5213	Office Supplies	2,250
215-0295-90.5931	Contrib. To non-Govt. Agencies	<u>102,000</u>
		\$167,283

and, that this increase be financed by increasing (decreasing) the following Training and Employment accounts:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
215-0297-74.7110	State Grants	\$ 26,717
215-0297-50.7100	Federal Grants	500
215-0240-30-8691	Program Income – Prior Years	160
215-0297-46.7100	Federal Grants	3,000
215-0297-45.7100	Federal Grants	34,032
215-0296-50.7100	Federal Grants	(1,376)
215-0240-30.8691	Program Income – Prior Years	2,250
215-0295-90.7100	Federal Grants	<u>\$102,000</u>

(Signed) Yvonne J. Johnson

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130-98 RESOLUTION APPROVING TERMINATION AND MERGER OF FIREFIGHTERS' MONEY PURCHASE PENSION PLAN AND TRUST INTO THE CITY'S DEFERRED COMPENSATION PLAN

WHEREAS, the City sponsors a special retirement program for its uniformed firefighters, consisting of the City of Greensboro Money Purchase Pension Plan and Trust (hereinafter referred to as the "Pension Plan"), which is a plan qualified under Internal Revenue Code Section 401(a), and the City of Greensboro Deferred Compensation Plan (hereinafter referred to as the "Deferred Compensation Plan"), which is a deferred compensation plan meeting the requirements of Internal Revenue Code Section 457;

WHEREAS, the City Council wishes to terminate the Pension Plan effective June 30, 1998, and wishes to authorize the Administrative Committee of the Pension Plan to adopt any amendments to the Pension Plan that are required to bring the Plan up to date or that would facilitate the termination process;

WHEREAS, the City sponsors another deferred compensation plan for its employees other than the uniformed firefighters that meets the requirements of Internal Revenue Code Section 457 (hereinafter referred to as the “457 Plan”);

WHEREAS, the City Council wishes to discontinue the Deferred Compensation Plan as a separate deferred compensation plan and wishes to consolidate it with the 457 Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

1. That the City Council hereby terminates the Pension Plan effective June 30, 1998, and authorizes the Administrative Committee of the Pension Plan to adopt any amendments to the Pension Plan that are required to bring it up to date or that would facilitate the termination process.
2. That the Administrative Committee of the Pension Plan is hereby directed to seek a determination letter from the Internal Revenue Service approving the termination of the Pension Plan and to do such other acts as may be required by the Internal Revenue Service to receive such a determination letter.
3. That the Trustees of the Pension Plan are directed to hold the sums accumulated under the terms of the Pension Plan, to continue to make payments to terminated participants as directed by the Administrative Committee of the Pension Plan in accordance with the terms of the Pension Plan, and to make any distributions on account of termination of the Pension Plan after the aforementioned approval of the termination is obtained from the Internal Revenue Service and as directed by the Administrative Committee of the Pension Plan in accordance with the terms of the Pension Plan.
4. That the Administrative Committee of the Deferred Compensation Plan is hereby directed to provide for the discontinuance of contributions to the Deferred Compensation Plan and for the consolidation of the Deferred Compensation Plan into the 457 Plan.

(Signed) Yvonne J. Johnson

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131-98 RESOLUTION APPROVING CONTRACTS WITH GUILFORD COUNTY TO ADMINISTER THE COUNTY’S 97-98 AND 98-99 FEDERAL HOME FUNDS FOR DEVELOPMENT OF 41 LOTS ADJACENT TO SHIRLEY LANE FOR HABITAT FOR HUMANITY OF GREENSBORO

WHEREAS, Guilford County, as a participating jurisdiction in the Federal HOME Consortium of Greensboro/Guilford/High Point/Burlington/Alamance County, received \$248,405 for projects from the 97-98 and 98-99 program years allocations;

WHEREAS, Guilford County will fund the development of a 41 lot Subdivision adjacent to Shirley Lane on behalf of Habitat for Humanity of Greensboro, with a combination of \$248,405 in Federal HOME funds and \$57,241 in County water and sewer funds;

WHEREAS, Guilford County desires that the City administer the subdivision development on their behalf for the sum of \$19,440.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That contracts be executed with Guilford County for the 97-98 and 98-99 Federal HOME and local County match funds in the amount of \$325,086 for the implementation and administration of the development of a 41 lot subdivision adjacent to Shirley Lane for Habitat for Humanity of Greensboro.

(Signed) Yvonne J. Johnson

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132-98 RESOLUTION APPROVING BID AND AUTHORIZING EXECUTION OF CONTRACT NO. 98-000523 FOR THE CONE ANNEX BUILDING RENOVATION –PHASE I PROJECT

WHEREAS, after due notice, bids have been received for the construction of the Cone Annex Building Renovation – Phase I Project;

WHEREAS, Greensboro Contracting Corporation, a responsible bidder, has submitted the low bid in the total amount of \$87,000.00 which bid, in the opinion of the City Council, is the best bid from the standpoint of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That the bid hereinabove mentioned submitted by the responsible bidder, Greensboro Contracting Corporation, is hereby accepted, and the Mayor and City Clerk are hereby authorized to execute, on behalf of the City of Greensboro, a proper contract to carry the proposal into effect, payment to be made from Account No. 436-2531-01.6013, CBR .001.

(Signed) Yvonne J. Johnson

(A tabulation of bids for the Cone Annex Building Renovation-Phase I Project is filed with the above resolution and is hereby referred to and made a part of these minutes.)

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133-98 RESOLUTION AUTHORIZING INSTALLATION OF WATER MAIN ALONG GROOMETOWN ROAD UNDER AGREEMENT BETWEEN CITY OF GREENSBORO AND GUILFORD COUNTY

WHEREAS, Guilford County has recently authorized the installation of an 8” water main along Groometown Road from Grandover Parkway to Jarvis Road to serve the Hardin Oil Company, Inc.

property, as shown on the attached map, in accordance with the Consolidated Water and Sewer Agreement between the County and the City;

WHEREAS, the project will be privately financed and, in the opinion of the City Council, the best interest of the City will be served by the construction of the water main in accordance with said agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That the construction of the above mentioned water main in accordance with the agreement between the City of Greensboro and Guilford County is hereby authorized, provided that, since the project is to be privately financed, there shall be no assessments levied.

(Signed) Yvonne J. Johnson

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134-98 RESOLUTION APPROVING BID AND AUTHORIZING EXECUTION OF CONTRACT 1998-05 FOR THE FOREST OAKS WATER AND SANITARY SEWER IMPROVEMENTS PROJECT, PHASE 4

WHEREAS, after due notice, bids have been received for the installation of water and sewer for the Forest Oaks Water and Sewer Improvements Project, Phase 4;

WHEREAS, Michael's Backhoe, Inc., a responsible bidder, has submitted the low base bid in the total amount of \$1,893,818.34 which bid, in the opinion of the City Council, is the best bid from the standpoint of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That the bid hereinabove mentioned submitted by the responsible bidder, Michael's Backhoe, Inc., is hereby accepted, and the Mayor and City Clerk are hereby authorized to execute, on behalf of the City of Greensboro, a proper contract to carry the proposal into effect, payment to be made from Account Nos. 504-7031-01.6016 in the amount of \$951, 236.50 and 504-7031-01.6017 in the amount of \$942,581.84.

(Signed) Yvonne J. Johnson

(A tabulation of bids for the Forest Oaks Water and Sanitary Sewer Improvements Project, Phase 4, is filed with the above resolution and is hereby referred to and made a part of these minutes.)

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Motion to approve the minutes of the regular meeting of 2 June 1998 was unanimously adopted by voice vote of the Council.

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Mayor Allen introduced a resolution approving bid in the amount of \$416,091 and authorizing execution of Contract 1998-11 for various City Storm Sewer Improvements which had been removed from the Consent Agenda by Councilmember Mincello.

Councilmember Mincello expressed concern with respect to the lack of progress between this contractor and area residents in resolving conflict resulting from the cutting of trees during work on the East-West Connector; she urged action by the city to resolve this matter. Councilmember Perkins stated the City Attorney had advised that because of litigation involving this issue, Council should refrain from discussion and further could not withhold this contract based on those circumstances. He also expressed concern with the City's conducting business with a contractor who was not willing to work to resolve these neighborhood issues.

The Manager and Steve Kennedy, Engineering and Inspections Department Director, spoke to exhaustive staff manhours expended in efforts to assist in resolving this matter and welcomed any suggestions from Council. Mr. Kennedy cited problems encountered with both sides of this issue: i.e., trying to use the city staff as mediators, the residents' request for inflated values for damages which the Contractor and/or insurance companies would not be willing to pay, some reports of residents not allowing the contractor access to properties to make repairs, etc.

After discussion with the Deputy City Attorney and a suggested motion with respect to the feasibility of withholding 10% of the funds for the contract until the resolution of claims, Deputy Attorney Wood cautioned that while an amount sufficient to cover the damages might be withheld, the money would not be available to settle those claims; he also cautioned that withholding more than this amount could result in retaliation by the contractor.

After discussion regarding the impact the defeat or tabling of this resolution would have on the improvements, Mr. Kennedy advised adoption of this resolution would authorize city staff to move forward with this project to correct long-standing drainage issues in various parts of the City. Council also discussed the money that would be saved by awarding this contract to Yates Construction Company. After further discussion, Councilmember Mincello moved to table this resolution until the next Council meeting to allow staff time to provide additional information to Council. The motion was seconded by Councilmember Vaughan; the motion was DEFEATED on an 7-2 voice vote of Council.

The Manager suggested the Council could move ahead with this bid and direct the staff to come back at the next Council meeting with suggested actions that could strongly encourage the resolution of this issue. Councilmember Mincello also requested that residents involved in this matter should be informed that information would be provided to Council at the July 7 Council meeting.

Councilmember Jones moved adoption of the resolution. The motion was seconded by Councilmember Carmany; the resolution was adopted on the following roll call vote: Ayes: Allen, Burroughs-White, Carmany, Holliday, Johnson, Jones, Perkins and Vaughan. Noes: Mincello.

135-98 RESOLUTION APPROVING BID AND AUTHORIZING EXECUTION OF CONTRACT 1998-11 FOR VARIOUS STORM SEWER IMPROVEMENTS LOCATED THROUGHOUT THE CITY

WHEREAS, after due notice, bids have been received for a Storm Sewer Upgrade Project in various locations throughout the City including: South Elm Street at Burtner Street, Shadylawn Drive, North Elm Street at Fisher Park Drive and Bingham Street at Hassell Street;

WHEREAS, Yates Construction Co., Inc., a responsible bidder, has submitted the low base bid in the total amount of \$416,091.00 which bid, in the opinion of the City Council, is the best bid from the standpoint of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That the bid hereinabove mentioned submitted by the responsible bidder, Yates Construction Co., Inc., is hereby accepted, and the Mayor and City Clerk are hereby authorized to execute, on behalf of the City of Greensboro, a proper contract to carry the proposal into effect, payment to be made from Account No. 203-6503-02.5427.

(Signed) Earl Jones

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Mayor Allen introduced a Resolution approving the City's participation with the Greensboro Housing Authority in submission of a 1998 Hope VI Grant Application and amended commitment of funding for the comprehensive revitalization of Morningside Homes and the surrounding community.

Dan Curry, Housing and Community Development Department, spoke to the team concept used in preparing this outstanding revitalization plan and encouraged Council to reaffirm its approval from last year. He stated the Morningside Neighborhood needed these changes and improvements. Mr. Curry outlined the key features of the Plan to revitalize blighted public housing and the surrounding community and improve the lives of residents; he emphasized that community readiness was critical to ensuring the implementation of the Plan. Outlining the financial details with respect to this \$75 million project, Mr. Curry spoke to the sources of funding, including details about funding sources for the City's contribution.

Emphasizing the fact that the Morningside Neighborhood was the most needy community, he spoke to contributing factors to problems that existed in the area; i.e., unemployment, severe poverty, the physical layout of the area that was obsolete and overcrowded, the deteriorated adjacent development, etc. Mr. Curry advised this Plan would also protect the City's substantial investment in the Eastside Park and East Market Street redevelopment areas. He further reviewed key facts about the planned development; i.e., single and multi-family housing, both new and rehabilitated, which would create a mixed use neighborhood; substantial housing demolition; density reduction; major changes to street system and sidewalks; rebuilding the utility system; and construction of new public facilities, including a new neighborhood center.

Elaine Ostrowski, Executive Director of the Greensboro Housing Authority located at 450 North Church Street, stated that the HOPE VI Program could be a catalyst in the southeast section of the City. She spoke to the East Market Street and Eastside Park development and to the City's investment in affordable housing in the area. Ms. Ostrowski advised this master plan was the result of planning efforts which

included significant work/input by community residents. Ms. Ostrowski spoke to the GHA's development of partners to carry out this plan who were committed to assist residents in the area to improve economic opportunities by providing training, education, homeownership training and support services to enable the residents to become self sufficient. She spoke to the affordable housing this plan would provide, advised GHA was committed to maintaining the current level of housing assistance, and reiterated the Authority's efforts to protect public housing residents by meeting housing needs and increasing housing choices for residents. Ms. Ostrowski encouraged Council's support of the HOPE VI Program.

Council commended staff and Ms. Ostrowski, and other participants in the preparation of an excellent HOPE VI plan which included significant community involvement. Further discussed was held re; timeframe for the plan; i.e., approval of the application, planning process, implementation, etc. In response to an inquiry about the City's moving forward by being proactive in this area, Ms. Ostrowski advised it would be appropriate to see if the application were approved before moving forward.

Councilmember Vaughan moved adoption of the resolution. The motion was seconded by Councilmember Johnson; the resolution was adopted on the following roll call vote: Ayes: Allen, Burroughs-White, Carmany, Holliday, Johnson, Jones, Mincello, Perkins and Vaughan. Noes: None.

136-98 RESOLUTION APPROVING THE CITY'S PARTICIPATION WITH THE GREENSBORO HOUSING AUTHORITY IN SUBMISSION OF A 1998 HOPE VI GRANT APPLICATION AND AMENDED COMMITMENT OF FUNDING FOR THE COMPREHENSIVE REVITALIZATION OF MORNINGSIDES HOMES AND THE SURROUNDING COMMUNITY

WHEREAS, the Department of Housing and Urban Development (HUD) has issued a Notice of Funding Availability for the Revitalization of Severely Distressed Public Housing Program (HOPE VI) for 1998;

WHEREAS, the Greensboro Housing Authority (GHA) intends to submit an application for funding through the HOPE VI Program for Morningside Homes and the surrounding community;

WHEREAS, the City of Greensboro, GHA and residents of the community have worked cooperatively to develop the Revitalization Plan for Morningside Homes and the surrounding community;

WHEREAS, City support of the Revitalization Plan will leverage over Fifty Million Dollars of other public and private funding, much of which would otherwise not be available to Greensboro.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

1. That the City of Greensboro supports the submittal by the Greensboro Housing Authority of a 1998 HOPE VI grant application to HUD for the Revitalization of Morningside Homes and the surrounding community.
2. That the City will continue to work in partnership with GHA, community residents and agencies to ensure the successful implementation of the Revitalization Plan.

3. That the city will, following notification by HUD of award of a HOPE VI grant award to GHA, commit up to \$12,428,000 towards development activities included as part of GHA's HOPE VI Plan.
4. That the City's funding shall come from and be limited to uses which are permitted expenses of the following funding programs:
 - a. \$6,475,500 from a Community Development Block Grant Section 108 Loan.
 - b. \$1,237,500 from the Multi-family Housing Fund.
 - c. \$1,200,000 from the Single Family Housing Bond Fund.
 - d. \$1,540,000 from the federal HOME Program.
 - e. \$1,400,000 from the State Highway Allocation (Powell Bill)
 - f. \$575,000 which will be returned to the City as revenue from sale of vacant lots within the Revitalization Area.
5. That the aforementioned City funding will be made available for implementation of the HOPE VI Revitalization Plan and through processes which provide for Requests for Proposals or other means to ensure availability and openness to all interested parties.

(Signed) Donald R. Vaughan

(Information provided with respect to this matter is filed with the above resolution and is hereby referred to and made a part of these minutes.)

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Councilmember Johnson left the Chamber at 9:20 p.m. Councilmember Holliday moved that Councilmember Johnson be excused for the remainder of the meeting. The motion was seconded by Councilmember Burroughs-White and adopted unanimously by voice vote of the Council.

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Mayor Allen introduced a resolution authorizing contract and ground lease agreement with the Natural Science Center of Greensboro, Inc. and the Greensboro Council of Garden Clubs, Inc. for the construction and use of a building for meetings, functions, public exhibits, educational programs and storage purposes.

After brief comments by the Manager, Councilmember Vaughan moved adoption of the resolution. The motion was seconded by Councilmember Jones; the resolution was adopted on the following roll call vote: Ayes: Allen, Burroughs-White, Carmany, Holliday, Jones, Perkins and Vaughan. Noes: None.

137-98 RESOLUTION AUTHORIZING CONTRACT AND GROUND LEASE AGREEMENT WITH THE GREENSBORO COUNCIL OF GARDEN CLUBS, INC. AND THE NATURAL SCIENCE CENTER OF GREENSBORO, INC. FOR CONSTRUCTION AND USE OF BUILDING FOR MEETINGS, PUBLIC FUNCTIONS, EXHIBITS AND EDUCATIONAL PROGRAMS AND FOR STORAGE PURPOSES

WHEREAS, the Natural Science Center of Greensboro, Inc. and the Greensboro Council of Garden Clubs, Inc. have requested a contract and a 40-year lease for the construction and maintenance of a building on City-owned property in the location shown on the attached map, said construction and maintenance to be at no cost to the City;

WHEREAS, following construction, the parties have further requested that there be no rental charge on the basis of its beautification services, public events, exhibits and educational programs rendered to the general public and on further condition that the building shall become the property of the City at the end of the lease term or any extensions thereof;

WHEREAS, there is a provision in the contract which states that the lease will become null and void and of no effect in the event a building contract has not been signed and construction has not been commenced on or before 31 December 1998;

WHEREAS, it is deemed to be in the best interest of the City to allow the construction of said building on the City-owned property as mentioned above with the understanding that the City will be under no obligation to maintain or repair said structure and that the Natural Science Center of Greensboro, Inc. and the Greensboro Council of Garden Clubs, Inc. may lease the same from the City in accordance with the above mentioned terms subject to those further terms as set out in a certain contract and agreement presented herewith this day.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That the Mayor and City Clerk are hereby authorized to execute a proper Contract and Ground Lease Agreement on behalf of the City with the Natural Science Center of Greensboro, Inc. and the Greensboro Council of Garden Clubs, Inc. all in accordance with the terms and conditions as set out in the above mentioned contract and agreement.

(Signed) Donald R. Vaughan

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Mayor Allen introduced an addendum item entitled a Resolution calling a public hearing for July 7, 1998 on the annexation of territory to the corporate limits—located on the south side of Shoffner court—approximately 1 acre.

Councilmember Vaughan moved adoption of the resolution. The motion was seconded by Councilmember Carmany; the resolution was adopted on the following roll call vote: Ayes: Allen, Burroughs-White, Carmany, Holliday, Jones, Perkins and Vaughan. Noes: None.

138-98 RESOLUTION CALLING A PUBLIC HEARING FOR JULY 7, 1998 ON THE ANNEXATION OF TERRITORY TO THE CORPORATE LIMITS – LOCATED ON THE SOUTH SIDE OF SHOFFNER COURT – APPROXIMATELY 1 ACRE

WHEREAS, the owner of all the hereinafter described property, which is contiguous to the City of Greensboro, has requested in writing that said property be annexed to the City of Greensboro;

WHEREAS, Chapter 160A, Section 31 of the General Statutes of North Carolina provides that territory may be annexed after notice has been given by publication one time in a newspaper of general circulation in the city;

WHEREAS, at a regular meeting of the City Council on the 16th day of June, 1998, the following ordinance was introduced:

AN ORDINANCE ANNEXING TERRITORY TO THE CORPORATE LIMITS (LOCATED ON THE SOUTH SIDE OF SHOFFNER COURT -- APPROXIMATELY 1 ACRE)

Section 1. Pursuant to G.S. 160A-31, the hereinafter described territory is hereby annexed to City of Greensboro:

BEGINNING at an existing iron pipe in the southern margin of Shoffner Court, N.C.S.R. 3310, at the northwestern corner of Carroll Investment Properties, Inc. as recorded and described in Deed Book 4668 Page 1784 in the Office of the Register of Deeds of Guilford County, North Carolina, said beginning point being located S 86°30'58" E, 797.33' along said southern margin of said Shoffner Court, N.C.S.R. 3310 from the eastern margin of Randleman Road, N.C.S.R. 1113; thence N 02°10'11" W, 45.22' to a point in the northern margin of said Shoffner Court, N.C.S.R. 3310; thence along said northern margin, S 86°30'58" E, 4.45' to a point; thence continuing along said northern margin, S 85°23'43" E, 187.32' to a point; thence, S 03°45'58" W, 45.00' to an existing iron pipe in said southern margin of said Shoffner Court, N.C.S.R. 3310, at the northeastern corner of said Carroll Investment Properties, Inc.; thence along the eastern line of said Carroll Investment Properties, Inc., S 03°45'58" W, 70.78' to an existing iron pipe; thence continuing along said eastern line, S 08°54'58" W, 139.48' to an existing iron pipe at the southeastern corner of said Carroll Investment Properties, Inc.; thence along the southern line of said Carroll Investment Properties, Inc., N 87°06'37" W, 152.25' to an existing iron pipe at the southwestern corner of said Carroll Investment Properties, Inc.; thence along the western line of said Carroll Investment Properties, Inc., N 02°10'11" W, 215.93' to the point and place of BEGINNING and being an area of 1.033 acres more or less.

Section 2. The owner agrees to pay to the City of Greensboro an acreage fee of two hundred dollars (\$200.00) per acre for water service and two hundred dollars (\$200.00) per acre for sewer service immediately prior to the time of annexation. Any utility line assessments which may have been levied by the County shall be collected either by voluntary payment or through foreclosure of same by the City. Following annexation, the property annexed shall receive the same status regarding charges and rates as any other property located inside the corporate limits of the City of Greensboro.

Section 3. The owner shall be fully responsible for extending water and sewer service to the property at said owner's expense.

Section 4. From and after the effective date of annexation, the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force within the City and shall be entitled to the same privileges and benefits thereof, subject to the provisions in Sections 2 and 3 above.

Section 5. From and after September 30, 1998, the liability for municipal taxes for the fiscal year shall be prorated on the basis of 9/12 of the total amount of taxes that would be due for the entire fiscal year. The due date for prorated municipal taxes shall be September 1, 1999. Municipal ad valorem taxes for the 1998-99 fiscal year and thereafter shall be due annually on the same basis as any other property within the city limits.

Section 6. That this ordinance shall become effective on and after September 30, 1998.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That July 7, 1998 at 6:00 p.m. be fixed as the time and the Council Chambers in the Melvin Municipal Office Building as the place for the public hearing on the proposed annexation of territory to the City of Greensboro as above set out and that this resolution be published in a newspaper published in the City of Greensboro not later than June 25, 1998.

(Signed) Donald R. Vaughan

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Dwayne Suffern, residing at 102 Brook Pine Drive; Kevin L. Robinson, residing at 104 Brook Pine Drive; and Steven Robinson, residing at 204 Brook Pine Drive; reiterated concerns with respect to drainage problems in this area. They spoke in opposition to the City’s policy which required their paying for a portion of the charges for improvements.

Assistant City Manager William Harrell, advised of a meeting scheduled with residents in this neighborhood to discuss options to resolve this particular situation. Mr. Harrell provided specific details related to the manner in which this particular situation had been created, the issues of responsibility for existing problems, discussed the estimated cost to remedy existing problems in the area-both on private and public property, etc. It was determined that the Mr. Harrell and city staff would move forward with the planned meeting with area residents in an effort to resolve this issue.

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Councilmember Burroughs-White added the name of Linda Wilson to the boards and commissions data bank for possible future service.

Councilmember Burroughs-White issued an invitation to the great residents’ day program regarding neighborhood improvements being held at New Garden Apartments on June 17.

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Councilmember Carmany added the name of Virginia Franks to the boards and commissions data bank for possible future service.

Councilmember Carmany moved that the following individuals be reappointed to serve three-year terms on the respective boards: Wanda Daughtry on the Board of Adjustment--term to expire 15 June 2001; Ann E. Milam on the Board of Adjustment—term to expire 15 June 2001; and Kurt M. Ryback on the Board of Building Appeals—term to expire 15 June 2001. The motion was seconded by Councilmember Jones and adopted unanimously by voice vote of the Council.

Councilmember Carmany stated that when additional positions were added to the War Memorial Commission, the City Attorney had conducted a drawing to determine the length of original terms for those members in order to stagger terms. She added at that time, some members received one-year terms and were subsequently reappointed for an additional three-year term. Because these members' first term was less than 18 months, she requested clarification as to Council's intent—whether these individuals should serve the short term plus one three-year term or serve the short term and be eligible to be re-appointed for two additional three-year terms.

The Deputy City Attorney advised that because the first term was for less than 18 months and should not be counted as a full term, these individuals would be eligible for re-appointment for an additional three-year term.

After brief discussion, Councilmember Holliday moved that these three Commission members be eligible to be reappointed to serve a second three-year term in accordance with the existing Council policy. The motion was seconded by Councilmember Carmany and adopted unanimously by voice vote of the Council.

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Speaking to development on Spring Garden Street, Councilmember Perkins requested staff to investigate the process used by the City to calculate density for development allowed when city right-of-way was required. He stated it was his understanding that the City calculated the density allowed after taking city right-of-way, while the County calculated the density allowed prior to taking the right-of-way. He expressed concern with the negative impact this could have on the development of smaller tracts of property. The Manager stated that staff would provide a report to Council.

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The Mayor reminded Council of a number of upcoming meetings of interest:

- the North Carolina League of Municipalities Town Hall Day scheduled for Wednesday, June 24, in Raleigh;
- the June 25 meeting at Saint Paul the Apostle Catholic Church to provide an opportunity for citizens to review/discuss information with respect to the proposed widening of New

Garden and related improvements projects sponsored by the City, Jefferson Pilot Corporation and North Carolina Department of Transportation; and

- the intent of Council to attend a portion of the Community Resource Board meeting scheduled for Thursday, June 18, at 3:00 p.m. in the Plaza Level Conference Room.

The Mayor advised citizens interested in obtaining information about applications for the Greensboro Chamber of Commerce's Leadership Greensboro should contact that agency.

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The Manager reminded Council of the June 23, 1998 Council Briefing scheduled to begin at 9:30 a.m. in the Plaza Level Conference Room.

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Councilmember Carmany reminded that members interested in participating in Koury Corporation's Grandover Tour and update with respect to Four Seasons Town Centre should meet at the Melvin Municipal Office Building at 12:30 p.m. on Monday, June 22, 1998.

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The City Manager announced the appointment of C. Thomas Martin as Director of the Planning Department for Greensboro.

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The City Manager requested that the City Council adjourn to Closed Session for the purpose of discussing a legal claim and to receive advice from counsel. He advised that after the Closed Session, the Council might re-convene in public session to conduct additional business.

Councilmember Carmany thereupon moved that the City Council adjourn to Closed Session for the purpose of discussing a legal claim and to receive advice from legal counsel. The motion was seconded by Councilmember Holliday and adopted unanimously by voice vote of the Council.

THE CITY COUNCIL ADJOURNED TO CLOSED SESSION AT 9:45 P.M.

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The City Council re-convened in regular session at 10:16 p.m. with all members present except Councilmember Johnson who had been excused earlier in the meeting.

After Councilmember Vaughan moved that the Council terminate the contract with MCI for cause regarding the Osborne Treatment Plant, Deputy City Attorney Wood advised that it would be appropriate for the Mayor to read into the minutes the title of a resolution prepared by the Legal Department.

Mayor Allen thereupon introduced a resolution authorizing termination of the services of the contractor of the expansion and upgrade of the T. Z. Osborne Wastewater Treatment Plant Phase III, Contract 1. Councilmember Vaughan moved adoption of the resolution; the motion was seconded by Councilmember Carmany.

The Deputy Attorney added that staff wished to make comments with reference to the resolution.

Allan Williams, Director of the Department of Water Resources, stated that one of the most difficult things staff had to do on this job was to try to track progress in the schedules. He stated that the contractor, MCI, had been delinquent in offering schedules for periods of months and stated the City received schedules in April and a recovery schedule was offered in May. Mr. Williams explained that to review the recovery schedule offered in May, he, the City Manager, and Assistant City Manager Harrell, had met with MCI representatives to discuss the City's displeasure at the apparent lack of progress on the job and to put them on notice that the City expected them to produce a recovery schedule and to provide the City with a date at which time the more critical items of Phase II would be completed. He advised that on May 18 the City was given a schedule from MCI which would be referred to as a recovery or 58-hour a week recovery schedule. He stated that his department's staff as well as the consulting engineers had tried to determine MCI's progress in meeting the targets and the items that were to have been completed by certain time periods shown on that schedule.

Mr. Williams provided to Council detailed information with respect to the schedules provided by MCI, the low rate of completion of tasks in accordance with the schedules, certain claims/allegations made by MCI with respect to the company's delay in beginning/completing certain tasks, reports by MCI of completion of tasks that were not consistent with work being completed, etc. Mr. Williams also emphasized that the City had credited MCI with 12 additional work days in response to the Company's claim that the City had not responded to their schedule for beginning certain tasks; he explained that even with this credit, MCI had only achieved about one-fourth of what the Company had predicted would be completed by a date certain.

Mr. Williams spoke to the City's efforts to determine the credibility of MCI's scheduling and offered specific information regarding various work schedules provided by the Company, the predictions of work accomplishments contained in the schedules and the conflicting Company reports regarding actual accomplishments/completion of tasks at the site, etc. He stated that because of discrepancies and changes in that schedule, it was difficult to determine what work was actually being undertaken.

Based on this information, Mr. Williams stated staff had a great deal of difficulty in assessing any credibility or being able to predict exactly when MCI would complete this particular project, particularly Phase II of the project which in the original contract was to have been completed in October of 1997 and has a target date of September, 1998. He further advised the City saw no credibility that MCI would reach completion at that time or any time close to that date. Mr. Williams stated that as a result of that conclusion, he had written our engineers to inquire as to whether or not there were grounds for termination or whether MCI was in breach of this contract; he stated the engineers had responded affirmatively and provided copies of the letter from the City's engineers, Hazen and Sawyer.

Mayor Allen asked if there were any representatives from MCI present in the Chamber who wished to comment on this issue. Larry Harris was present in the Chamber representing MCI. After there

appeared to be some confusion by Mr. Harris as to whether or not Council had already voted on this issue, the City Attorney explained that Council had not voted on this resolution and that Mr. Harris could make comments on behalf of his company before the Council took official action. Mr. Harris indicated that he wished to make no comments.

In response to Council inquiries, Mr. Williams stated that staff had discussions with other contractors to discuss what their abilities and confidence were to complete the remainder of the work by a date certain. He advised that it was his opinion and the opinion of our engineers that the City would probably achieve a more timely completion of this job by doing that rather than to stay with the contractor who had exhibited the inability to work to a schedule at this point.

Bob Difiori, representing Hazen and Sawyer, reiterated what Mr. Williams had stated. He advised that Hazen and Sawyer staff members had reviewed the various schedules and had conducted field inspections, with one full time employee on site at all times; he advised they had confirmed the number of items completed per Mr. Williams' previous comments. In response to Council inquiries, he advised his staff had reviewed all documents and schedules agreed to by MCI and that his company was acting as a consulting engineer representing the City of Greensboro.

In response to an inquiry from Council, Mr. Williams advised that MCI was in default of their contract with the City and had been for some time.

At the request of Council, Mr. Williams briefly spoke to the financial situation as it related to this project. He advised this was approximately a \$29 million project, spoke to the payments made to MCI, and stated the City had a 10% retainage of about \$2 million on the project. Responding to inquiries regarding staff's opportunity to outline a timeframe for the completion of this project if a new contractor were hired, Mr. Williams stated that it was City staff's opinion that the project could be completed by the end of 1998. The Manager clarified that this would be Phase II of the project.

After Mr. Williams reiterated that this was the critical phase because of the moratorium that the City had and further that the City believed the work in Phase II would relieve the moratorium, the Deputy City Attorney advised the City did not have a moratorium but were issuing conditional permits for sewer service. Mr. Williams stated that the majority of this situation would be relieved by Phase II construction.

Mr. Williams reminded Council that the City entered into an agreement or a consent order with the American Canoe Association that had specified dates of when this complete project, including Phases III and IV, was to be complete--which had been anticipated as October 1998. He further stated that because Phases III and IV would not be on line at that time, the City would have to contend with some serious penalties from the American Canoe Association consent decree that were specified in there which anticipated completion of the entire project by Oct of this year. He further advised that if MCI were to stay on this project and continue to exhibit on Phases III and IV the same kind of scheduling/completion problems they had to date on Phases I and II, the City would face serious problems with the America Canoe Association. He also reminded Council that Phase I was not even completed by MCI and that the City had to hire a second contractor to complete Phase I because of uncompleted work or defective work MCI had refused to address.

Councilmember Vaughan moved adoption of the Resolution. The motion was seconded by Councilmember Carmany; the resolution was adopted on the following roll call vote: Ayes: Allen, Burroughs-White, Carmany, Holliday, Jones, Mincello, Perkins and Vaughan. Noes: None.

139-98 RESOLUTION AUTHORIZING TERMINATION OF THE SERVICES OF THE CONTRACTOR OF THE EXPANSION AND UPGRADE OF THE T.Z. OSBORNE WASTEWATER TREATMENT PLANT, PHASE III, CONTRACT 1

WHEREAS, on the 16th day of January, 1996, the City of Greensboro entered into a contract (COG Contract No. 1995-24) with MCI Constructors, Inc., as General Contractor for the expansion and upgrade for the T.Z. Osborne Wastewater Treatment Plant, Phase III, Contract 1;

WHEREAS, the Project Engineer for said project is Hazen and Sawyer, Environmental Engineers and Scientists;

WHEREAS, the construction on the project has for some time been behind schedule and the Contractor has failed to adhere to the progress schedule for completing various stages of the work;

WHEREAS, the Project Engineer has notified the City that the Contractor has failed to comply with the Contract, including failure to complete stages of the work within the time required, and for the other reasons stated therein; and

WHEREAS, the City of Greensboro with the advice of the Project Engineer has determined that the grounds for termination exist and that the Contract should be terminated.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO, THAT:

Pursuant to Article 15.2 of the Contract for the Expansion and Upgrade of the T.Z. Osborne Wastewater Treatment Plant, Phase III, Contract 1, the services of MCI Constructors will be terminated for cause after seven days written notice as a result of MCI's failure to comply with the requirements of the Contract. The following acts are authorized:

1. The giving of seven (7) days written Notice of Termination to the Contractor pursuant to contract terms;
2. Notification to the Performance Bonding Company and the Project Engineer of this termination; and
3. Any other act, or acts, to the extent permitted by law, to take possession of the project site and materials and to do those things necessary to complete the work remaining to be done under the contract.

(Signed) Donald R. Vaughan

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Councilmember Perkins moved that the City Council adjourn. The motion was seconded by Councilmember Vaughan and adopted unanimously by voice vote of the Council.

THE CITY COUNCIL ADJOURNED AT 10:33 P. M.

JUANITA F. COOPER
CITY CLERK

CAROLYN S. ALLEN
MAYOR
